

NetApp, Inc.
Form DEF 14A
July 25, 2014
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE
SECURITIES EXCHANGE ACT OF 1934

(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

NETAPP, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

Edgar Filing: NetApp, Inc. - Form DEF 14A

b No fee required.

.. Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

.. Fee paid previously with preliminary materials.

.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

NETAPP, INC.

495 East Java Drive

Sunnyvale, California 94089

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held Friday, September 5, 2014

You are cordially invited to attend the Annual Meeting of Stockholders, and any adjournment, postponement or other delay thereof (the Annual Meeting), of NetApp, Inc., a Delaware corporation (NetApp), which will be held on Friday, September 5, 2014, at 3:30 p.m. local time, at NetApp's headquarters, 495 East Java Drive, Sunnyvale, California 94089. We are holding the Annual Meeting for the following purposes:

1. To elect the following individuals to serve as members of the Board of Directors for the ensuing year or until their respective successors are duly elected and qualified: Thomas Georgens, T. Michael Nevens, Jeffrey R. Allen, Tor R. Braham, Alan L. Earhart, Gerald Held, Kathryn M. Hill, George T. Shaheen, Robert T. Wall and Richard P. Wallace;
2. To approve an amendment to NetApp's Amended and Restated 1999 Stock Option Plan to increase the share reserve by an additional 7,500,000 shares of common stock;
3. To approve an amendment to NetApp's Employee Stock Purchase Plan to increase the share reserve by an additional 5,000,000 shares of common stock;
4. To approve NetApp's Executive Compensation Plan;
5. To conduct an advisory vote to approve Named Executive Officer compensation;
6. To consider a stockholder proposal, if properly presented at the Annual Meeting;

7. To ratify the appointment of Deloitte & Touche LLP as NetApp's independent registered public accounting firm for the fiscal year ending April 24, 2015; and

8. To transact such other business as may properly come before the Annual Meeting.

The foregoing items of business are more fully described in the Proxy Statement that accompanies this Notice of Annual Meeting of Stockholders. The Board of Directors has fixed the close of business on July 22, 2014 as the record date for determining the stockholders entitled to notice of and to vote at the Annual Meeting.

In accordance with the rules and regulations of the Securities and Exchange Commission, we have elected to provide access to our proxy materials over the Internet. Accordingly, NetApp will mail, on or about July 25, 2014, a Notice of Internet Availability of Proxy Materials to its stockholders of record and beneficial owners. The Notice of Internet Availability of Proxy Materials will identify: (1) the website where our proxy materials will be made available; (2) the date, time, and location of the Annual Meeting; (3) the matters to be acted upon at the Annual Meeting and the Board of Directors' recommendation with regard to each matter; (4) a toll-free telephone number, an e-mail address, and a website where stockholders can request a paper or e-mail copy of the Proxy Statement, our Annual Report on Form 10-K or a form of proxy relating to the Annual Meeting; (5) instructions on how to vote your shares by proxy; and (6) information on how to obtain directions to attend the Annual Meeting and vote in person by ballot. These proxy materials will be available free of charge.

Table of Contents

To assure your representation at the Annual Meeting, you are urged to cast your vote as instructed in the Notice of Internet Availability of Proxy Materials over the Internet or by telephone as promptly as possible. You may also request a paper proxy card to submit your vote by mail, if you prefer. Any stockholder of record attending the Annual Meeting may vote in person by ballot, even if such stockholder has previously voted over the Internet, voted by telephone or returned a signed proxy card. Any beneficial owner who is not a stockholder of record will be required to show a legal proxy from such stockholder's bank, broker or other nominee in order to vote in person by ballot at the Annual Meeting.

Thank you for your interest in NetApp.

BY ORDER OF THE BOARD OF DIRECTORS,

Thomas Georgens

Chairman of the Board and Chief Executive Officer

Sunnyvale, California

July 25, 2014

YOUR VOTE IS EXTREMELY IMPORTANT. TO ENSURE YOUR REPRESENTATION AT THE ANNUAL MEETING, YOU ARE URGED TO VOTE BY TELEPHONE OR OVER THE INTERNET AS PROMPTLY AS POSSIBLE. ALTERNATIVELY, YOU MAY REQUEST A PAPER PROXY CARD, WHICH YOU SHOULD SIGN, DATE AND RETURN BY MAIL.

Table of Contents

TABLE OF CONTENTS

	Page
<u>PROXY STATEMENT</u>	1
<u>General</u>	1
<u>Notice of Internet Availability of Proxy Materials</u>	1
<u>Record Date and Shares Outstanding</u>	1
<u>Quorum Requirement</u>	1
<u>Votes Required for Proposals</u>	2
<u>Stockholders of Record versus Beneficial Owners</u>	2
<u>Abstentions and Broker Nonvotes</u>	2
<u>Methods of Voting</u>	2
<u>Revocability of Proxies</u>	3
<u>Solicitation of Proxies</u>	3
<u>Annual Report</u>	3
<u>Stockholder Proposals</u>	3
<u>Householding</u>	4
<u>If You Plan to Attend the Annual Meeting</u>	4
<u>PROPOSAL NO. 1 ELECTION OF DIRECTORS</u>	5
<u>Majority Voting</u>	5
<u>Information Regarding the Nominees</u>	5
<u>Information Regarding Departing Directors</u>	9
<u>Vote Required</u>	9
<u>CORPORATE GOVERNANCE</u>	10
<u>Board Leadership Structure</u>	10
<u>Corporate Governance Guidelines</u>	10
<u>Risk Oversight</u>	11
<u>Independent Directors</u>	11
<u>Corporate Governance and Nominating Committee</u>	11
<u>Compensation Committee</u>	13
<u>Audit Committee</u>	13
<u>Stockholder Meeting Attendance for Directors</u>	13
<u>Code of Conduct</u>	13
<u>Personal Loans to Executive Officers and Directors</u>	14
<u>Stockholder Communications Policy</u>	14
<u>Meetings and Committees of our Board of Directors</u>	14
<u>DIRECTOR COMPENSATION</u>	16
<u>Director Compensation Table</u>	16
<u>Summary of Director Compensation Policy</u>	17
<u>PROPOSAL NO. 2 AMENDMENT TO THE COMPANY S AMENDED AND RESTATED 1999 STOCK OPTION PLAN</u>	19
<u>Introduction</u>	19
<u>Current Awards Outstanding</u>	20

<u>Description of the 1999 Plan</u>	20
<u>Administration of the 1999 Plan</u>	21
<u>Shares Subject to the 1999 Plan</u>	21
<u>Eligibility</u>	22
<u>Discretionary Option Grant Program</u>	22

Table of Contents

TABLE OF CONTENTS

(continued)

	Page
<u>Stock Appreciation Rights Program</u>	22
<u>Stock Issuance Program</u>	23
<u>Performance Share and Performance Unit Program</u>	23
<u>Performance Goals</u>	23
<u>Automatic Award Program</u>	23
<u>Awards to be Granted to Certain Individuals and Groups</u>	24
<u>Limited Transferability of Awards</u>	26
<u>Federal Tax Aspects</u>	26
<u>Amendment and Termination of the Plan</u>	27
<u>Summary</u>	27
<u>Vote Required</u>	27
<u>PROPOSAL NO. 3 AMENDMENT TO THE COMPANY'S EMPLOYEE STOCK PURCHASE PLAN</u>	28
<u>Introduction</u>	28
<u>Description of the Purchase Plan</u>	28
<u>Share Reserve</u>	28
<u>Offering Period and Purchase Rights</u>	29
<u>Eligibility and Participation</u>	29
<u>Purchase Price</u>	29
<u>Payroll Deductions and Stock Purchases</u>	30
<u>Special Limitations</u>	30
<u>Withdrawal Rights and Termination of Employment</u>	30
<u>Stockholder Rights</u>	30
<u>Assignability</u>	30
<u>Change of Control</u>	31
<u>Share Proration</u>	31
<u>Amendment and Termination</u>	31
<u>Plan Benefits</u>	31
<u>Participation in the Purchase Plan</u>	32
<u>New Plan Benefits</u>	32
<u>Federal Tax Consequences</u>	32
<u>Summary</u>	33
<u>Vote Required</u>	33
<u>PROPOSAL NO. 4 APPROVAL OF THE COMPANY'S EXECUTIVE COMPENSATION PLAN</u>	34
<u>Introduction</u>	34
<u>Eligibility</u>	34
<u>Purpose</u>	34
<u>Administration</u>	34
<u>Determination of Awards</u>	35
<u>Payment of Awards</u>	35

<u>Maximum Awards</u>	35
<u>Amendment and Termination</u>	35
<u>Federal Income Tax Consequences</u>	35
<u>Awards to be Granted to Certain Individuals and Groups</u>	36
<u>Summary</u>	36
<u>Vote Required</u>	36

Table of Contents**TABLE OF CONTENTS****(continued)**

	Page
<u>PROPOSAL NO. 5 ADVISORY VOTE ON NAMED EXECUTIVE OFFICER COMPENSATION</u>	
<u>SAY-ON-PAY</u>	37
<u>Vote Required</u>	38
<u>PROPOSAL NO. 6 STOCKHOLDER PROPOSAL</u>	39
<u>Supporting Statement</u>	39
<u>The Company's Response</u>	39
<u>Vote Required</u>	40
<u>PROPOSAL NO. 7 RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	41
<u>General</u>	41
<u>Principal Accountant Fees and Services</u>	41
<u>Vote Required</u>	42
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	43
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	45
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	46
<u>Executive Summary</u>	46
<u>Principles and Objectives of Compensation</u>	51
<u>Administration of Our Compensation Program</u>	51
<u>Factors in Determining Compensation</u>	52
<u>Components of Compensation</u>	54
<u>Policies Regarding Granting of Equity Awards</u>	57
<u>Stock Ownership Guidelines</u>	57
<u>Recovery of Incentive-Based Compensation</u>	58
<u>Anti-Hedging and Anti-Pledging Policies</u>	58
<u>Other Compensation for NEOs</u>	58
<u>Tax Deductibility of Compensation</u>	59
<u>COMPENSATION COMMITTEE REPORT</u>	59
<u>EXECUTIVE COMPENSATION AND RELATED INFORMATION</u>	60
<u>Summary Compensation Table</u>	60
<u>Grants of Plan-Based Awards</u>	61
<u>Outstanding Equity Awards at Fiscal Year End</u>	62
<u>Option Exercises and Stock Vested for Fiscal 2014</u>	63
<u>Nonqualified Deferred Compensation</u>	63
<u>TERMINATION OF EMPLOYMENT AND CHANGE OF CONTROL AGREEMENTS</u>	65
<u>Potential Payments upon Termination or Change of Control</u>	65
<u>Estimated Payments Pursuant to Change of Control Severance Agreements</u>	69
<u>Equity Compensation Plan Information</u>	71
<u>COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION</u>	71

<u>CERTAIN TRANSACTIONS WITH RELATED PARTIES</u>	72
<u>AUDIT COMMITTEE REPORT</u>	73
<u>OTHER BUSINESS</u>	74
<u>FORM 10-K</u>	74
<u>Annex A</u>	A-1
<u>Appendix A</u>	A-1
<u>Appendix B</u>	B-1
<u>Appendix C</u>	C-1

Table of Contents

TABLE OF CONTENTS

(continued)

Cautionary Statement Regarding Forward-Looking Statements

This Proxy Statement may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). Forward-looking statements are all statements (and their underlying assumptions) included in this Proxy Statement that refer, directly or indirectly, to future events or outcomes and, as such, are inherently not factual, but rather reflect only our current projections for the future. Consequently, forward-looking statements usually include words such as estimate, intend, plan, predict, seek, may, will, should, would, could, anticipate, expect, b each case, intended to refer to future events or circumstances. Our future results may differ materially from our past results and from those projected in the forward-looking statements due to various uncertainties and risks, including, but not limited to, those described in Item 1A of Part I (Risk Factors) of our Annual Report on Form 10-K. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof and are based upon information available to us at this time. These statements are not guarantees of future performance. We disclaim any obligation to update information in any forward-looking statement. Actual results could vary from our forward-looking statements due to the foregoing factors as well as other important factors.

Table of Contents

PROXY STATEMENT

FOR THE ANNUAL MEETING OF STOCKHOLDERS OF

NETAPP, INC.

To Be Held Friday, September 5, 2014

General

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors (Board or Board of Directors) of NetApp, Inc., a Delaware corporation (the Company, NetApp, we or our), of proxies to be voted at the Annual Meeting of Stockholders, and any adjournment, postponement or other delay thereof (the Annual Meeting), to be held on Friday, September 5, 2014 for the purposes set forth in the accompanying Notice of Annual Meeting of Stockholders. Stockholders of record as of the close of business on July 22, 2014 (the Record Date) will be entitled to vote at the Annual Meeting. The Annual Meeting will be held at 3:30 p.m. local time at the Company s headquarters at 495 East Java Drive, Sunnyvale, California 94089.

Notice of Internet Availability of Proxy Materials

In accordance with rules and regulations adopted by the Securities and Exchange Commission (the SEC), instead of mailing a printed copy of our proxy materials to each of our stockholders, we are now furnishing proxy materials to our stockholders over the Internet. If you received a Notice of Internet Availability of Proxy Materials (the Notice) by mail, you will not receive a printed copy of the proxy materials. Instead, the Notice instructs you as to how you may access and review all of the information contained in the proxy materials. The Notice also instructs you as to how you may submit your proxy over the Internet or by telephone. If you received a Notice by mail and would like to receive a printed copy of our proxy materials, you should follow the instructions for requesting such materials included in the Notice.

It is anticipated that the Notice will be mailed to stockholders on or about July 25, 2014.

Record Date and Shares Outstanding

On the Record Date, the Company had 325,439,002 shares of its common stock outstanding and entitled to vote at the Annual Meeting. No shares of the Company s preferred stock were outstanding. At the Annual Meeting, each holder of common stock is entitled to one vote for each share of common stock held by such stockholder on the Record Date. There are no cumulative voting rights.

Quorum Requirement

A majority of the shares of common stock issued and outstanding and entitled to vote, in person or by proxy, constitutes a quorum for the transaction of business at the Annual Meeting.

Table of Contents

Votes Required for Proposals

For Proposal No. 1, each of the 10 director nominees must receive the affirmative vote of shares representing a majority of the votes cast, meaning the number of votes FOR a director nominee must exceed the number of votes AGAINST that nominee. Approval of Proposal Nos. 2, 3, 4, 5, 6 and 7 each require the affirmative vote of a majority of the stock having voting power present in person or represented by proxy. The vote on Proposal Nos. 5 and 6 is advisory, and is therefore not binding on the Company or the Board. Voting results will be published in a Current Report on Form 8-K, which will be filed with the SEC within four business days of the Annual Meeting.

Stockholders of Record versus Beneficial Owners

You are a stockholder of record if, as of the close of business on the Record Date, your shares of common stock were registered directly in your name with Computershare Trust Company, N.A., our transfer agent. If your shares of common stock are held in a brokerage account or by a bank, broker or other nominee, you are considered the beneficial owner of those shares, which are held in street name. As the beneficial owner, you have the right to direct your bank, broker or other nominee how to vote your shares by following the voting instructions that your bank, broker or other nominee provides to you. If you do not provide your bank, broker or other nominee with instructions on how to vote your shares, your bank, broker or other nominee may not vote your shares with respect to any non-routine matters, but may, in its discretion, vote your shares with respect to routine matters.

Abstentions and Broker Nonvotes

Although there is no definitive statutory or case law authority in Delaware as to the proper treatment of abstentions, the Company believes that abstentions should be counted for purposes of determining both (1) the presence or absence of a quorum for the transaction of business; and (2) the total number of shares entitled to vote in person or by proxy at the Annual Meeting with respect to a proposal. In the absence of controlling precedent to the contrary, the Company intends to treat abstentions in this manner. Accordingly, abstentions will have the same effect as a vote against a proposal, except with respect to Proposal No. 1 (election of directors), where they will have no effect.

A broker nonvote occurs when a bank, broker or other nominee holding shares for a beneficial owner does not vote on a particular proposal because the bank, broker or other nominee does not have discretionary voting power with respect to such proposal and has not received voting instructions from the beneficial owner. Broker nonvotes will be counted for purposes of determining the presence or absence of a quorum for the transaction of business, but will not be counted for purposes of determining the number of votes cast on a proposal. Accordingly, a broker nonvote will make a quorum more readily attainable, but will not otherwise affect the outcome of the vote on a proposal.

If your shares are held in street name and you do not instruct your broker on how to vote your shares, your brokerage firm may, at its discretion, either leave your shares unvoted or vote your shares on routine matters, but not on non-routine matters. The proposal to ratify the appointment of our independent registered public accounting firm for fiscal 2015 (Proposal No. 7) will be treated as a routine matter. To the extent that your brokerage firm votes your shares on your behalf on this proposal, such votes will be counted as votes cast with respect to such proposal. Proposal Nos. 1, 2, 3, 4, 5 and 6 are considered non-routine matters. Consequently, your brokerage firm cannot vote your shares on such proposals without your voting instructions.

Methods of Voting

Stockholders may vote by proxy or by ballot at the Annual Meeting. The Company is offering stockholders of record four methods of voting: (1) you may vote by telephone; (2) you may vote over the Internet; (3) you may vote in

person at the Annual Meeting; and (4) finally, you may request a proxy card from us and indicate your vote by signing and dating the card where indicated and by mailing or otherwise returning the card in the prepaid envelope provided.

Table of Contents

If you vote but do not specify your choices, your shares of common stock will be voted (1) FOR the election of all of the nominees named in Proposal 1; (2) FOR Proposal Nos. 2, 3, 4, 5 and 7; (3) AGAINST Proposal No. 6; and (4) in the proxy holder's discretion as to any other matters that may properly come before the Annual Meeting.

If you hold your shares of common stock through a bank, broker or other nominee, you will not be able to vote by ballot in person at the Annual Meeting unless you have previously obtained a legal proxy from your bank, broker or other nominee and present it with your ballot at the Annual Meeting.

Revocability of Proxies

Any stockholder of record voting by proxy has the power to revoke a proxy at any time before polls close at the Annual Meeting. You may revoke or change your proxy by filing with the Secretary of the Company an instrument of revocation or a duly executed proxy bearing a later date or by attending the Annual Meeting and voting in person by ballot. If you are the beneficial owner of your shares, you must contact the bank, broker or other nominee holding your shares and follow the instructions of such bank, broker or other nominee to revoke your proxy or change your vote.

Solicitation of Proxies

The Company will bear the cost of soliciting proxies. Copies of solicitation materials will be made available upon request to brokerage houses, fiduciaries, and custodians holding shares in their names that are beneficially owned by others to forward to such beneficial owners. The Company may reimburse such persons for their costs of forwarding the solicitation materials to such beneficial owners. The Company has retained AST Phoenix Advisors, a professional proxy solicitation firm, to assist in the solicitation of proxies from stockholders of the Company. AST Phoenix Advisors may solicit proxies by personal interview, mail, telephone, facsimile, email, or otherwise. The Company expects that it will pay AST Phoenix Advisors its customary fee, estimated to be approximately \$10,000, plus reasonable out-of-pocket expenses incurred in the process of soliciting proxies. In addition, the original solicitation of proxies may be supplemented by solicitation by telephone, electronic communication or other means by directors, officers, employees, or agents of the Company. No additional compensation will be paid to these individuals for any such services.

Annual Report

The Notice, this Proxy Statement and the Company's Annual Report on Form 10-K for fiscal 2014 (the Annual Report) have been made available to all stockholders entitled to vote at the Annual Meeting. The Annual Report is not incorporated into this Proxy Statement and is not considered proxy-soliciting material. The Annual Report is posted at the following website address: <http://investors.netapp.com/annuals.cfm>.

Stockholder Proposals

The Company's stockholders may submit proposals that they believe should be voted upon at the Company's 2015 Annual Meeting of Stockholders (the 2015 Annual Meeting). Stockholders may also recommend candidates for election to our Board of Directors for such Annual Meeting (see *Corporate Governance*, *Corporate Governance and Nominating Committee*).

Pursuant to Rule 14a-8 under the Exchange Act, stockholder proposals may be included in our 2015 Proxy Statement. Any such stockholder proposals must be submitted in writing to the attention of the Corporate Secretary, NetApp, Inc., 495 East Java Drive, Sunnyvale, California 94089, no later than March 27, 2015, which is the date 120 calendar

days prior to the first anniversary of the mailing date of this Proxy Statement.

Under the Company's bylaws, a proposal that a stockholder intends to present for consideration at the 2015 Annual Meeting but does not seek to include in the Company's proxy materials for the 2015 Annual Meeting

Table of Contents

(including a nomination to the Board) must be received by the Corporate Secretary (at the address specified in the preceding paragraph) not less than 120 calendar days prior to the date of the 2015 Annual Meeting. The stockholder's submission must include the information specified in the Company's bylaws.

Stockholders interested in submitting such a proposal are advised to contact knowledgeable legal counsel with regard to the detailed requirements of applicable securities laws.

If a stockholder gives notice of a proposal or a nomination after the applicable deadline specified above, the notice will not be considered timely, and the stockholder will not be permitted to present the proposal or the nomination to the stockholders for a vote at the 2015 Annual Meeting.

Householding

The SEC has adopted rules that permit companies and intermediaries, such as brokers, to satisfy delivery requirements for proxy materials with respect to two or more stockholders sharing the same address by delivering a single proxy statement addressed to those stockholders. This process, which is commonly referred to as householding, potentially provides extra convenience for stockholders and cost savings for the Company. The Company and some brokers household proxy materials unless contrary instructions have been received from one or more of the affected stockholders. If, at any time, you no longer wish to participate in householding and would prefer to receive a separate proxy statement, or if you are receiving multiple copies of the proxy statement and wish to receive only one, please (1) follow the instructions provided when you vote over the Internet; or (2) contact Broadridge Financial Solutions, Inc., either by calling toll free at (800) 542-1061 or by writing to Broadridge, Householding Department, 51 Mercedes Way, Edgewood, New York 11717.

If You Plan to Attend the Annual Meeting

Attendance at the Annual Meeting will be limited to stockholders and the Company's invited guests. Each stockholder may be asked to present valid picture identification, such as a driver's license or passport. Stockholders holding shares of common stock in brokerage accounts through a bank, broker or other nominee may be required to show a brokerage or account statement reflecting their stock ownership. Cameras, recording devices and other electronic devices will not be permitted at the Annual Meeting. You may contact the Company at 1-408-542-2500 for directions to the Annual Meeting.

Table of Contents**PROPOSAL NO. 1****ELECTION OF DIRECTORS**

At the Annual Meeting, 10 directors will be elected to serve until the 2015 Annual Meeting or until successors for such directors are elected and qualified, or until the death, resignation or removal of such directors. Proxies will be voted for the 10 nominees named below for election to our Board. Each person nominated for election has consented to being named in this Proxy Statement and has agreed to serve if elected, and our Board has no reason to believe that any nominee will be unavailable or will decline to serve. In the event, however, that any nominee is unable or declines to serve as a director, the proxies will be voted for any nominee who is designated by our Board to fill the vacancy. The proxies solicited by this Proxy Statement may not be voted for more than 10 nominees.

Majority Voting

In an uncontested election of directors, to be elected to our Board, each nominee must receive the affirmative vote of shares representing a majority of the votes cast, meaning that the number of votes FOR such nominee must exceed the number of votes AGAINST such nominee. Under our Corporate Governance Guidelines, each director is required to submit in advance an irrevocable, conditional resignation that will be effective only upon both (1) the failure to receive the required vote at the next stockholders' meeting at which the director faces reelection; and (2) our Board's acceptance of such resignation. If an incumbent director fails to receive the required vote for reelection, the Corporate Governance and Nominating Committee will act to determine whether to accept the director's irrevocable, conditional resignation and will submit its recommendation to our Board for consideration. Our Board expects the director whose resignation is under consideration to abstain from participating in any decision regarding that resignation. Our Board will act on the Corporate Governance and Nominating Committee's recommendation and publicly disclose its decision and the rationale therefor within 90 days from the date of the certification of election results. The Corporate Governance and Nominating Committee and our Board may consider any factors they deem relevant in deciding whether to accept a director's resignation. Our Board has the discretion to accept or reject the offer of resignation of any director.

Information Regarding the Nominees

The name, age and position of each nominee as of July 17, 2014 are set forth in the table below. Except as described below, each of the nominees has been engaged in his principal occupation during the past five years. There are no family relationships among any of our directors or executive officers.

Name of Nominee	Age	Position	Director Since
Thomas Georgens	54	Chairman of the Board and Chief Executive Officer	2008
T. Michael Nevens*	64	Lead Independent Director	2009
Jeffrey R. Allen*	62	Director	2005
Tor R. Braham*	56	Director	2013
Alan L. Earhart*	70	Director	2004
Gerald Held*	66	Director	2009
Kathryn M. Hill*	57	Director	2013
George T. Shaheen*	70	Director	2004
Robert T. Wall*	69	Director	1993

Richard P. Wallace* 54 Director

2011

* Denotes Independent Director.

Table of Contents

THOMAS GEORGENS has been the Company's Chief Executive Officer since August 2009 and a member of the Board since March 2008. Mr. Georgens was appointed as Chairman of the Board in April 2014. Mr. Georgens served as our President from January 2008 to April 2014 and was our Chief Operating Officer from January 2008 to August 2009, during which time he was responsible for all product operations and field operations worldwide. Mr. Georgens joined the Company in October 2005 as Executive Vice President and General Manager of Enterprise Storage Systems and served as our Executive Vice President of Product Operations from January 2007 to February 2008. Before joining the Company, Mr. Georgens spent nine years in various roles at LSI Corporation, an electronics design company, and its subsidiaries, including Chief Executive Officer of Engenio, President of LSI Logic Storage Systems and Executive Vice President of LSI Logic. Prior to LSI Corporation, Mr. Georgens spent 11 years at EMC Corporation, a computer storage and data management company, in a variety of engineering and marketing positions. Mr. Georgens is a member of the boards of Electronics for Imaging, Inc. and Autodesk, Inc. Mr. Georgens holds a B.S. degree and an M.E. degree in computer and systems engineering from Rensselaer Polytechnic Institute as well as an M.B.A. degree from Babson College.

As the Company's Chief Executive Officer, Mr. Georgens has direct, day-to-day exposure to all aspects of our business. Additionally, as the Company's Chairman of the Board, Mr. Georgens brings to our Board substantial management and executive experience, as well as extensive knowledge of the data storage industry. As a result of these and other factors, our Board believes that Mr. Georgens adds to our Board's collective level of expertise, skills and qualifications.

T. MICHAEL NEVENS has been a member of the Board since December 2009 and Lead Independent Director since April 2014. Since May 2006, Mr. Nevens has been a senior advisor to Permira Funds, an international private equity fund. Prior to his position with Permira Funds, Mr. Nevens spent 23 years advising technology companies with McKinsey & Co., where he managed the firm's Global High Technology Practice and chaired the firm's IT vendor relations committee. Mr. Nevens currently serves on the boards of Altera Semiconductors, Inc., Ciena Corporation, and Active Video Networks, Inc., a private technology company. He also served on the board of Borland Software Corporation from 2004 to 2009, and Gehry Technologies, Inc. from December 2011 to January 2013. Mr. Nevens has a B.S. degree in physics from the University of Notre Dame and an M.S. degree in industrial administration from Purdue University.

Mr. Nevens' experience in equity investments and advising various technology companies throughout the world led our Board to conclude that he would be a valuable member of our Board, particularly as the Company continues to grow internationally. His experience on the boards of both public and private technology companies also provides significant value and adds to his diverse perspective.

JEFFRY R. ALLEN has been a member of the Board since May 2005. Prior to joining the Board, Mr. Allen was the Executive Vice President of Business Operations of the Company. Mr. Allen joined the Company in 1996 as the Chief Financial Officer and Vice President of Finance and Operations. Prior to joining the Company, Mr. Allen served as Senior Vice President of Operations for Bay Networks, Inc., a networking company, where he was responsible for manufacturing and distribution functions. From 1990 to 1995, he held the position of Controller for SynOptics Communications, Inc., a computer communications company, and subsequently became Vice President and Controller for Bay Networks, the new company created via the merger of SynOptics and Wellfleet Communications, Inc. Previously, Mr. Allen had a 17-year career at Hewlett-Packard Company, where he served in a variety of financial, information systems, and financial management positions, including controller for the Information Networks Group. Mr. Allen is currently Lead Independent Director of Barracuda Networks, a public technology company, and a director of Metaswitch Networks, a private technology company. Mr. Allen holds a B.S. degree in accounting from San Diego State University.

Our Board nominated Mr. Allen to serve as a director because he brings to our Board extensive experience gained from working in the technology industry in a variety of positions at the senior management level, including almost 10 years at the Company. In addition, Mr. Allen qualifies as an audit committee financial

Table of Contents

expert under the rules and regulations of the SEC. With a strong mix of operational and financial knowledge, both generally and specifically in regards to the Company, Mr. Allen adds to our Board's collective level of expertise, skills and qualifications.

TOR R. BRAHAM joined the Board in September 2013. Mr. Braham served as Managing Director and Global Head, Technology, Mergers and Acquisitions for Deutsche Bank Securities, an international financial service group, from 2004 until 2012. Prior to that, he served as Managing Director and Co-head, West Coast U.S. Technology, Mergers and Acquisitions for Credit Suisse First Boston, an international financial services group, from October 2000 until 2004. Prior to that, Mr. Braham was an investment banker with UBS Securities and a lawyer at a prominent Silicon Valley law firm. Mr. Braham earned a B.A. degree in English from Columbia College and a J.D. degree from New York University School of Law.

Mr. Braham brings to our Board extensive financial expertise as well as knowledge of the technology industry. Our Board believes that as an investment banker and lawyer to technology companies, Mr. Braham has a strong understanding of the challenges facing technology companies. For these and other reasons, our Board believes that Mr. Braham adds to our Board's collective level of expertise, skills and qualifications.

ALAN L. EARHART has been a member of the Board since December 2004. From 1970 until his retirement in 2001, Mr. Earhart held several positions with Coopers & Lybrand and its successor, PricewaterhouseCoopers LLP, including most recently as managing partner of PricewaterhouseCoopers' Silicon Valley offices. Mr. Earhart currently serves on the board of directors of Brocade Communication Systems, Inc. and Rovi Corporation (formerly known as Macrovision Solutions Corporation), both public technology companies, and is an independent consultant and retired partner of PricewaterhouseCoopers. He previously served on the boards of directors of Monolithic Power Systems and Quantum Corporation. Mr. Earhart holds a B.S. degree in accounting from the University of Oregon.

Our Board selected Mr. Earhart to serve as a director because he brings to our Board a deep knowledge of financial and accounting issues. Through his work experience and service on the boards of several high technology public companies, Mr. Earhart has developed knowledge of the complex issues facing global companies today. In addition, Mr. Earhart qualifies as an audit committee financial expert under the rules and regulations of the SEC. Mr. Earhart is a skilled advisor who makes a strong contribution to the diversity of perspectives on our Board.

GERALD HELD has been a member of the Board since December 2009. Since 1999, Mr. Held has been the Chief Executive Officer of Held Consulting Group, LLC. From 2006 to 2010, he was the Executive Chairman of Vertica Systems, an analytic database company that was acquired by Hewlett-Packard Company. From 2002 to 2008, Mr. Held was on the board of Business Objects SA. He was also a founding director for Microplace, Inc., a microfinance marketplace that was acquired by eBay, Inc. and Chairman of Bella Pictures, Inc., which was acquired by CPI Corp. Mr. Held currently serves on the boards of Informatica Corporation, a public technology company, and Risk Management Solutions, a technology company that is a subsidiary of Daily Mail and General Trust Plc. Mr. Held also serves on the boards of several private companies, including Trickplay Inc. and Software Development Technologies Corp. Mr. Held previously served on the board of directors of Unwired Planet, Inc. (formerly known as Openwave Systems, Inc.) from 2005 to 2012. From 1976 to 1997, Mr. Held served in a variety of executive roles at Tandem Computers, Inc. and Oracle Corporation.

Our Board selected Mr. Held to serve as a director because he has over 40 years of experience in developing, managing and advising technology organizations. He also has experience leading organizations through periods of growth, including growing a startup company into a public company that generated several billion dollars in annual revenue. In addition to his professional experience, Mr. Held has a strong technical background, including an M.S. degree in systems engineering from the University of Pennsylvania and a Ph.D. degree in computer science

specializing in relational database technology from University of California, Berkeley.

KATHRYN M. HILL joined the Board in September 2013. Ms. Hill served in a number of positions at Cisco Systems, Inc. from 1997 to 2013, including, among others, Executive Advisor from 2011 to 2013, Senior

Table of Contents

Vice President, Development Strategy and Operations from 2009 to 2011, Senior Vice President, Access Networking and Services Group from 2008 to 2009 and Senior Vice President, Ethernet Systems and Wireless Technology Group from 2005 to 2008. Prior to Cisco, Ms. Hill had a number of engineering roles at various technology companies. Ms. Hill currently serves on the board of directors of Moody's Corporation, a provider of credit ratings, research, tools and analysis for financial markets, and is a member of the Board of Trustees for the Anita Borg Institute for Women and Technology. Ms. Hill received a B.S. degree in Mathematics from Rochester Institute of Technology.

Ms. Hill brings to our Board extensive experience in business management and leadership of engineering and operations organizations. Ms. Hill also has experience leading global technology organizations. Our Board believes that this experience as well as Ms. Hill's service on the board of another public company adds to our Board's collective level of expertise, skills and qualifications.

GEORGE T. SHAHEEN has been a member of the Board since June 2004. From December 2006 until July 2009, he was the Chief Executive Officer and Chairman of the board of directors of Entity Labs, Ltd., a technology company in the data collection, storage and analytics space. Mr. Shaheen was the Chief Executive Officer of Siebel Systems, Inc., a CRM (customer relationship management) software company, from April 2005 until the sale of the company in January 2006. From October 1999 to April 2001, he served as the Chief Executive Officer and Chairman of the Board of Webvan Group, Inc. Prior to joining Webvan Group, Inc., Mr. Shaheen was the Chief Executive Officer and Global Managing Partner of Andersen Consulting, which later became Accenture. Mr. Shaheen currently serves as Chairman of the Board of Korn/Ferry International. He also serves on the boards of Green Dot Corporation, Marcus & Millichap Inc. and 24/7 Customer, Inc. He is a member of the Strategic Advisory Board of Genstar Capital. He has served as an IT Governor of the World Economic Forum and as a member of the Board of Advisors for the Northwestern University Kellogg Graduate School of Management. He has also served on the Board of Trustees of Bradley University. Mr. Shaheen received a B.S. degree in business and an M.B.A. degree from Bradley University.

Our Board selected Mr. Shaheen to serve as a director because he has significant experience leading, managing and advising companies. Mr. Shaheen's consulting background gives him keen insight into sales and the customer-based, service aspect of the Company's operations. In addition, Mr. Shaheen has expertise on compliance matters as a result of his service on the boards of several private and public technology companies, including service as a chairman and member of the audit and compensation committees of those boards.

ROBERT T. WALL has been a member of the Board since January 1993. Since August 1984, Mr. Wall has been the Founder and President of On Point Developments, LLC, a venture management and investment company. Mr. Wall was a founder and, from November 2000 to December 2006, the Chairman of the Board of Directors of Airgo Networks, Inc., a Wi-Fi wireless networking systems company that was acquired by Qualcomm, Inc. in December 2006. From June 1997 to November 1998, he was Chief Executive Officer and a member of the board of directors of Clarity Wireless, Inc., a broadband wireless data communications company that was acquired by Cisco Systems, Inc. in November 1998. Mr. Wall was Chairman of the Board, President, and Chief Executive Officer of Theatrix Interactive, Inc., a consumer educational software publisher, from April 1994 to August 1997, and was a member of the board of directors of Complete Genomics, Inc., a human genome sequencing and informatics company, from September 2010 to March 2013. Mr. Wall has been a member of the Board of Trustees of the Fine Arts Museums of San Francisco since June 2007 and a member of the Visiting Committee, Arts of Africa, Oceania, and the Americas at the Metropolitan Museum of Art in New York since March 2007. He received an A.B. degree in economics from DePauw University and an M.B.A. degree from Harvard Business School.

Our Board selected Mr. Wall to serve as a director because he brings to our Board over 30 years of experience leading and founding several technology companies, including companies in the data storage, computer systems, and wireless networking areas. As the Company's first outside director, he brings a long-term perspective of the evolution of the

Company to its present position and the development of its management team. In addition to having served on the boards of other public companies, he has also had a varied strategic M&A experience, both as an industry executive and as head of technology investment banking.

Table of Contents

RICHARD P. WALLACE joined the Board in March 2011. Mr. Wallace currently serves as the President and Chief Executive Officer of KLA-Tencor Corporation, a supplier of process control and yield management solutions for semiconductor and related microelectronics industries. He began his career at KLA Instruments in 1988 as an applications engineer and has held various general management positions throughout his tenure with the company. Mr. Wallace became the CEO and member of the board of KLA-Tencor in January 2006. Mr. Wallace also previously served as a member of the board of directors for Semiconductor Equipment and Materials International (SEMI), an industry trade association and previously served as a member of the board of directors for Beckman Coulter from 2009 to 2011. Mr. Wallace earned his B.S. degree in electrical engineering from the University of Michigan and an M.S. degree in engineering management from Santa Clara University.

Our Board selected Mr. Wallace to serve as a director because of his experience as chief executive officer of a publicly traded high-technology company. He brings to our Board more than two decades of experience gained while working at a technology company that has experienced growth. Mr. Wallace offers a unique perspective and expertise that is relevant to leading and advising a growth company. His experience as a board member of another publicly traded company also provides important value and adds to his unique perspective.

Information Regarding Departing Directors

At the Annual Meeting, two of the Company's current directors, Daniel J. Warmenhoven and Nicholas G. Moore, will conclude their service on our Board. We thank them for their years of distinguished service and many contributions to the Company.

DANIEL J. WARMENHOVEN has been a member of the Board of Directors since October 1994 and was Executive Chairman of the Company from August 2009 to April 2014. Mr. Warmenhoven was Chief Executive Officer of the Company from October 1994 to August 2009. Prior to joining the Company, Mr. Warmenhoven served in various capacities, including President, Chief Executive Officer, and chairman of the board of directors of Network Equipment Technologies, Inc., a telecommunications equipment company, from November 1989 to January 1994. Prior to Network Equipment Technologies, Mr. Warmenhoven held executive and managerial positions at Hewlett-Packard Company, a global computer and information technology company, from 1985 to 1989, and IBM Corporation, a global computer and information technology company, from 1972 to 1985. Mr. Warmenhoven is lead independent director at Palo Alto Networks, lead independent director of Aruba Networks, Inc., a director of Bechtel, Inc., vice chairman of the board of the Tech Museum of Innovation in San Jose, California and a trustee of Bellarmine College Preparatory in San Jose, California. Mr. Warmenhoven holds a B.S. degree in electrical engineering from Princeton University.

NICHOLAS G. MOORE has been a member of the Board since April 2002 and was Lead Independent Director from August 2009 to April 2014. Mr. Moore served as Global Chairman of PricewaterhouseCoopers LLP, an accounting firm, from July 1998 until June 2001, and Chief Executive Officer of PricewaterhouseCoopers LLP from July 1998 until June 2000. Prior to that, he served as Chairman and Chief Executive Officer of Coopers & Lybrand LLP from October 1994 until June 1998, when it merged with Price Waterhouse LLP. Mr. Moore is a member of the boards of Gilead Sciences, Bechtel Corporation, and E2open, Inc. Mr. Moore received a B.S. degree in accounting from St. Mary's College and a J.D. degree from Hastings College of Law, University of California.

Vote Required

To be elected to our Board, each director nominee must receive the affirmative vote of shares representing a majority of the votes cast, meaning that the number of votes FOR a director nominee must exceed the number of votes AGAINST that nominee. Unless you indicate otherwise, your proxy will be voted FOR the election of each nominee.

Our Board of Directors Unanimously Recommends That Stockholders

Vote FOR the Election of All of the Nominees Named Above

Table of Contents

CORPORATE GOVERNANCE

Our Board has adopted policies and procedures that our Board believes are in the best interests of the Company and its stockholders while being compliant with the Sarbanes-Oxley Act of 2002 and the rules and regulations of the SEC and The NASDAQ Stock Market, LLC (NASDAQ).

Board Leadership Structure

Our Board does not currently have a policy on whether the roles of Chief Executive Officer and Chairman of the Board may be filled by one individual. This allows our Board flexibility to better address the leadership needs of the Company as it deems appropriate. Our Board does not view any particular leadership structure as preferred and routinely considers the appropriate leadership structure. This consideration includes the pros and cons of alternative leadership structures in light of the Company's operating and governance environment at the time, with the goal of achieving the optimal model for Board leadership and effective oversight of management by our Board.

On April 4, 2014, Mr. Warmenhoven announced his decision to retire as Executive Chairman of the Board, and our Board elected Mr. Georgens as Chairman of the Board. As a result, the roles of Chief Executive Officer and Chairman of the Board are now held by Mr. Georgens. Our Board currently believes that our Chief Executive Officer is best situated to serve as our Chairman of the Board because he is the director most familiar with our business and most capable of effectively identifying strategic priorities and leading the discussion and execution of strategy. In addition, he is most able to effectively communicate Board strategy to the other members of management and implement Board directives. Our Board also believes that this unified structure provides the Company with strong and consistent leadership and that, given the dynamic and competitive environment in which we operate, having one clear leader in both roles, with deep industry expertise and Company knowledge, ensures decisive and effective leadership internally and externally.

We have designated one of our directors as Lead Independent Director, and believe that this position is integral to our Board structure. The Lead Independent Director chairs Board meetings when the Chairman of the Board is not present; schedules, sets the agenda for and chairs executive sessions; and chairs matters that are within the purview of the independent directors. The Lead Independent Director also chairs meetings of the Corporate Governance and Nominating Committee; serves as a liaison between the Chairman of the Board and the independent directors; calls special meetings of the individual directors serving on the Board, when appropriate; discusses issues raised by the independent directors with the full Board or members of management; previews materials sent to the Board prior to board meetings; recommends to the Board the retention of consultants who report directly to the full Board, when asked to do so; and performs such other functions and responsibilities as requested by the Board from time to time. Prior to April 4, 2014, Mr. Moore served as our Lead Independent Director. On April 4, 2014, our Board elected Mr. Nevens as our Lead Independent Director.

As described in more detail below, our Board of Directors has three standing committees, each of which is comprised of only independent directors and chaired by an independent director. Our Board of Directors delegates substantial responsibility to each Board committee, which regularly reports its activities and actions back to the Board. We believe that our independent Board committees and their respective chairs are an important aspect of our Board leadership structure.

Corporate Governance Guidelines

Our Board has adopted a formal set of Corporate Governance Guidelines concerning various issues related to Board membership, structure, function and processes; Board committees; leadership development, including succession

planning; oversight of risk management; and our ethics helpline. A copy of the Corporate Governance Guidelines is available on our website at <http://investors.netapp.com/governance.cfm>.

Table of Contents

Risk Oversight

Our Board, as a whole and through its committees, has responsibility for the oversight of risk management. With the oversight of our Board, our executive officers are responsible for the day-to-day management of the material risks the Company faces. In its oversight role, our Board has the responsibility to satisfy itself that the risk management processes designed and implemented by our executive officers are adequate and functioning as designed. The involvement of our Board in setting our business strategy at least annually is a key part of our Board's oversight of risk management and allows our Board to assess and determine what constitutes an appropriate level of risk for the Company and review and consider management's role in risk management. Our Board regularly receives updates from management and outside advisors regarding certain risks the Company faces.

Each committee of our Board oversees specific aspects of risk management. For example, our Audit Committee oversees the management of risks associated with our financial reporting, accounting and auditing matters; our Compensation Committee oversees the management risks associated with succession planning and the relationship between our compensation policies and programs; and our Corporate Governance and Nominating Committee oversees the management of risks associated with director independence, conflicts of interest, board composition and organization, and director succession planning. Our committees regularly report their findings to our Board.

Other than when our Board or a committee of our Board meets in executive session, senior management attends all meetings of our Board and its committees and is available to address questions raised by directors with respect to risk management and other matters.

Independent Directors

A majority of our Board is comprised of independent directors, as defined in the applicable NASDAQ rules.

The independent directors regularly meet in executive session, without management, as part of the normal agenda of our Board meetings.

The Lead Independent Director is a nonemployee director and is independent (as defined by the NASDAQ rules).

Corporate Governance and Nominating Committee

Our Board has adopted guidelines for the identification, evaluation and nomination of candidates for director.

To assist with director nominations, our Board has assigned the Corporate Governance and Nominating Committee responsibility for reviewing and recommending nominees to our Board. Although there are no specific minimum qualifications for director nominees, the ideal candidate should exhibit qualifications that will increase overall Board effectiveness, including independence, previous experience as an executive or director with other successful companies, and ability to meet other requirements under applicable rules, such

as the requirement that Audit Committee members have an appropriate level of financial literacy and expertise. In evaluating the suitability of a particular director nominee, our Board considers a broad range of factors, including, without limitation, the nominee's character, integrity, judgment, independence, age, skills, education, expertise, length of service, understanding of the Company's business, and willingness and ability to make the necessary time commitment to perform diligently the duties of a director. In addition, our Board considers any agreements or arrangements between a director nominee and any third party that provides compensation to the director nominee in connection with his or her service on our Board, and believes that such agreements or arrangements create a conflict between the director nominee and the Company's stockholders, thereby potentially disqualifying such nominee from serving as a director.

Table of Contents

The Corporate Governance and Nominating Committee makes an effort to ensure that our Board's composition reflects a broad diversity of experience, professions, skills, viewpoints, geographic representation, personal traits and backgrounds. Additionally, although we have no formal policy with respect to diversity, due to the global and complex nature of our business, our Board believes it is important to identify otherwise qualified candidates who would increase our Board's racial, ethnic, gender and/or cultural diversity. No specific weights are assigned to particular criteria, and the Corporate Governance and Nominating Committee does not believe that any specific criterion is necessarily applicable to all prospective nominees. When the Corporate Governance and Nominating Committee reviews a potential new candidate, it looks specifically at the candidate's qualifications in light of the needs of our Board at that time, given the then-current mix of director attributes. With respect to the nomination of continuing directors for re-election, each continuing director's past contributions to our Board are also considered.

In the case of new director candidates, the Corporate Governance and Nominating Committee also determines whether the nominee must be independent for NASDAQ purposes, which determination is based upon applicable NASDAQ listing standards, applicable SEC rules and regulations and the advice of counsel, if necessary. The Corporate Governance and Nominating Committee generally relies on a variety of resources to compile a list of potential candidates, including, among other things and depending upon the circumstances, its network of contacts, searches of corporate, academic and government environments and resources, and, when appropriate, a professional search firm. The Corporate Governance and Nominating Committee believes utilizing such a broad variety of resources furthers our Board's goal of ensuring the identification and consideration of a diverse range of qualified candidates, including, without limitation, women and minority candidates. The Corporate Governance and Nominating Committee conducts appropriate and necessary inquiries into the backgrounds and qualifications of possible candidates after considering the function and needs of our Board. The Corporate Governance and Nominating Committee meets to discuss and consider such candidates' qualifications and then selects a nominee for recommendation to our Board by majority vote.

If the Corporate Governance and Nominating Committee determines that it wants to identify new independent director candidates for Board membership, it is authorized to retain, and to approve the fees of third-party executive search firms to help determine the skills and qualifications that would best complement our Board and identify prospective director nominees.

The Corporate Governance and Nominating Committee uses the same process for evaluating all nominees, regardless of the source of the nomination, except that it is the Company's policy not to consider individuals recommended by stockholders unless the recommending stockholders have continuously held at least 3% of the outstanding shares of the Company's voting securities for at least three years prior to the date on which the recommendation is submitted.

A stockholder who desires to recommend a candidate for election to our Board must direct the recommendation in writing to NetApp, Inc., 495 East Java Drive, Sunnyvale, California 94089, Attention: Corporate Secretary and must include the same information required by the Company's bylaws in connection with the nomination of a director of our Board, including, without limitation, the candidate's name; home and business contact information; detailed biographical data and qualifications; information regarding any relationships between the candidate and the Company within the last three years; evidence of the nominating

person's ownership of Company stock; and a written statement that, if nominated, such candidate will tender an irrevocable advance resignation in accordance with the Company's Corporate Governance Guidelines.

All of the members of the Corporate Governance and Nominating Committee meet the applicable requirements for independence from Company management.

Our Board has adopted a charter for the Corporate Governance and Nominating Committee that meets applicable NASDAQ standards and is available at <http://investors.netapp.com/governance.cfm>. The Corporate Governance and Nominating Committee charter is reviewed by the Corporate Governance and Nominating Committee on an annual basis.

Table of Contents

Compensation Committee

All of the members of the Compensation Committee meet the applicable requirements for independence as defined by applicable NASDAQ and Internal Revenue Service rules.

The Compensation Committee evaluates and approves the compensation policies, plans and programs for our Chief Executive Officer, other executive officers and non-employee board members and sets compensation in accordance with the Compensation Committee charter.

The Compensation Committee reviews and approves our incentive compensation plans in accordance with the Compensation Committee charter.

In accordance with NASDAQ rules, the Compensation Committee reviews and assesses the independence of any compensation consultant, legal counsel or other advisor that provides advice to the Compensation Committee.

Our Board has adopted a charter for the Compensation Committee that meets applicable NASDAQ standards and is available at: <http://investors.netapp.com/governance.cfm>. The Compensation Committee charter is reviewed by the Compensation Committee on an annual basis.

Audit Committee

The Audit Committee has established policies and procedures that are consistent with the SEC and NASDAQ requirements for auditor independence.

All of the members of the Audit Committee meet the applicable requirements for independence from Company management and requirements for financial literacy.

Each member of the Audit Committee has the requisite financial management expertise.

The Audit Committee is responsible for the appointment, compensation, retention, termination and oversight of the work of the Company's independent registered public accounting firm, Deloitte & Touche LLP.

Deloitte & Touche LLP reports directly to the Audit Committee.

The internal audit function of the Company reports directly to the Audit Committee.

Our Board has adopted a charter for the Audit Committee that meets applicable NASDAQ standards and is available at <http://investors.netapp.com/governance.cfm>. The Audit Committee charter is reviewed by the Audit Committee on an annual basis.

Stockholder Meeting Attendance for Directors

While we do not have a formal policy for director attendance at our Annual Meetings of Stockholders, historically they have been scheduled on the same day as a Board of Directors meeting and were attended by at least a majority of the directors. In 2013, 11 directors attended the Annual Meeting of Stockholders.

Code of Conduct

The Company has adopted a Code of Conduct that includes a conflict of interest policy that applies to all directors, officers and employees.

All employees are required to affirm in writing their understanding and acceptance of the Code of Conduct.

The Code of Conduct is posted on the Company's website at: <http://investors.netapp.com/governance.cfm>. The Company will post any amendments to or waivers of the provisions of the Code of Conduct on its website.

Table of Contents**Personal Loans to Executive Officers and Directors**

The Company does not provide personal loans or extend credit to any executive officer or director.

Stockholder Communications Policy

Stockholders may contact any of the Company's directors by writing to them c/o NetApp, Inc., 495 East Java Drive, Sunnyvale, California 94089, Attn: Corporate Secretary. Employees and others who wish to contact our Board or any member of the Audit Committee to report questionable practices may do so anonymously by using this address and designating the communication as confidential.

Meetings and Committees of our Board of Directors

Our Board held nine regular meetings during fiscal 2014. During fiscal 2014, each member of our Board attended at least 75% of the aggregate of (1) the total number of meetings of our Board held during fiscal 2014; and (2) the total number of meetings held by all Board committees on which such director served, in each case covering the periods of fiscal 2014 during which such director served on our Board or such committees, as applicable.

There are no family relationships among executive officers, directors or nominees of the Company. Our Board currently has three standing committees, each of which operates under a charter approved by our Board: the Audit Committee, the Corporate Governance and Nominating Committee, and the Compensation Committee.

The members of the committees as of the date of this Proxy Statement are identified in the following table:

Director	Audit	Compensation	Corporate Governance and Nominating
Thomas Georgens			
T. Michael Nevens	X		Chair
Jeffrey R. Allen	X		
Tor R. Braham	X		
Alan L. Earhart	Chair		X
Gerald Held		X	
Kathryn M. Hill		X	
Nicholas G. Moore			
George T. Shaheen		X	
Robert T. Wall		Chair	X
Richard P. Wallace		X	
Daniel J. Warmenhoven			

The Audit Committee is composed of directors Earhart, Allen, Braham and Nevens, all of whom are independent in accordance with the requirements of applicable SEC and NASDAQ rules and regulations. Mr. Braham joined the Audit Committee in July 2014. Our Board has determined that Messrs. Earhart and Allen each qualify as an audit committee financial expert under the rules and regulations of the SEC. The Audit Committee reviews, acts on and reports to our Board with respect to various auditing and accounting matters, including the selection of the Company's auditors, the scope of the annual audits, fees to be paid to the auditors, the performance of the Company's auditors, the accounting practices of the Company and other such functions as detailed in the Audit Committee Charter, which can be found on the Company's website at <http://investors.netapp.com/governance.cfm>. The Audit Committee of our Board

held nine regular meetings during fiscal 2014.

Table of Contents

The Compensation Committee is composed of directors Wall, Held, Hill, Shaheen and Wallace, all of whom are independent in accordance with applicable NASDAQ rules and qualify as an outside director within the meaning of Section 162(m) of the Internal Revenue Code, as amended. Ms. Hill joined the Compensation Committee in July 2014. The Compensation Committee establishes salaries, incentive compensation programs, and other forms of compensation for our officers; creates the compensation guidelines under which management establishes salaries for non-officers and other employees of the Company; and administers the incentive compensation and benefit plans of the Company. In carrying out its responsibilities, the Compensation Committee reviews, at least annually, compensation for the Chief Executive Officer and other officers, corporate goals relevant to compensation, and executive and leadership development policies. The Compensation Committee meets regularly with its outside advisors independently of management. The Compensation Committee held seven regular meetings during fiscal 2014.

The Corporate Governance and Nominating Committee is composed of directors Nevens, Earhart and Wall, all of whom are independent in accordance with applicable NASDAQ rules. The Corporate Governance and Nominating Committee evaluates and recommends to our Board candidates for Board membership and considers nominees recommended by stockholders who satisfy the conditions described above under *Corporate Governance Corporate Governance and Nominating Committee*. The Corporate Governance and Nominating Committee also develops and recommends corporate governance policies and other governance guidelines and procedures to our Board. The Corporate Governance and Nominating Committee held six meetings during fiscal 2014. Mr. Moore who is also independent in accordance with applicable NASDAQ rules, served as Chairman of the Corporate Governance and Nominating Committee from the beginning of fiscal 2014 until April 4, 2014, when he announced his decision to resign from our Board, effective as of the date of the Annual Meeting. Mr. Nevens joined the Corporate Governance and Nominating Committee as chair in April 2014 in connection with his appointment as Lead Independent Director.

Prior to May 2014, our Board had a Strategy Committee composed of directors Nevens, Allen, Georgens, Held, Warmenhoven and Wall, a majority of whom are independent. The Strategy Committee assisted in the development, articulation and execution of the Company's long-term strategic planning and reviewed, evaluated, and approved certain acquisitions, divestitures, and other strategic transactions for the Company. The Strategy Committee held two meetings during fiscal 2014. The Strategy Committee was disbanded in May 2014 in connection with Board structural changes, and the full Board has assumed those responsibilities formerly assigned to the Strategy Committee.

Table of Contents**DIRECTOR COMPENSATION**

The Compensation Committee evaluates the compensation and form of compensation for nonemployee directors annually. The nonemployee directors receive annual retainers as well as equity awards for their service on our Board. Details of the compensation are discussed in the narrative below. Employee directors do not receive any compensation for their services as members of our Board.

Director Compensation Table

The table below summarizes the total compensation paid by the Company to the nonemployee directors and Mr. Warmenhoven for fiscal 2014.

Name	Fees Earned or Paid in Cash (\$)(1)	Restricted Stock Units (\$)(2)(4)	Option Awards (\$)(2)(4)	Change in Pension Value and Nonqualified Deferred Compensation			Total (\$)
				Nonequity Incentive Compensation (\$)	Earning Compensation (\$)	All Other Compensation (\$)	
T. Michael Nevens	97,500		251,538				349,038
Jeffrey R. Allen	85,000	123,294	125,775				334,069
Tor R. Braham	45,000	246,587					291,587
Alan L. Earhart	111,250	123,294	125,775				360,319
Gerald Held	79,500	123,294	125,775				328,569
Kathryn M. Hill	45,000	246,587					291,587
Nicholas G. Moore	108,750	123,294	125,775				357,819
George T. Shaheen	70,750	123,294	125,775				319,819
Robert T. Wall	107,125	123,294	125,775				356,194
Richard P. Wallace	70,750		251,538				322,288
Daniel J. Warmenhoven(3)							

- (1) The amounts in this column represent compensation that was earned in fiscal 2014. Our Board year does not correspond with our fiscal year and the Board fees are paid at the beginning of each quarter of the Board year. A portion of the fees earned during the first quarter of fiscal 2014 were paid in the last quarter of fiscal 2013 and are included in this table. A portion of the fees earned during the first quarter of fiscal 2015 were paid in the last quarter of fiscal 2014 and are not included in this table.
- (2) The amounts reported represent the grant date fair value of restricted stock unit (RSU) and option awards to the director under the Company's Amended and Restated 1999 Stock Option Plan and are computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 (FASB ASC 718). Assumptions used in the valuations of these awards are included in Note 10 of the Annual Report. These amounts do not necessarily represent the actual value that may be realized by the nonemployee director.
- (3)

During fiscal 2014, Mr. Warmenhoven did not receive compensation as a director but did receive compensation as an employee of the Company in his role as Executive Chairman. In fiscal 2014, Mr. Warmenhoven received \$375,000 in salary, \$723,000 in RSUs, \$586,434 in option awards, \$363,000 in nonequity incentive plan compensation and \$5,681 in all other compensation for a total of \$2,053,115. The amounts for RSUs and Option Awards were calculated in accordance with footnote 2 above. As of April 25, 2014, Mr. Warmenhoven held options to purchase an aggregate of 1,371,404 shares of common stock and RSUs covering an aggregate of 46,175 shares of common stock.

Table of Contents

- (4) The table below sets forth the number of shares of common stock subject to outstanding options and RSUs held by the nonemployee directors as of April 25, 2014:

Name	# of Outstanding Options (in Shares)	# of RSUs (in Shares)	Total Equity Awards Outstanding
T. Michael Nevens	134,831		134,831
Jeffry R. Allen	121,416	2,856	124,272
Tor R. Braham		5,712	5,712
Alan L. Earhart	64,416	2,856	67,272
Gerald Held	74,416	18,188	92,604
Kathryn M. Hill		5,712	5,712
Nicholas G. Moore(1)	85,416	15,188	100,604
George T. Shaheen	141,916	2,856	144,772
Robert T. Wall	181,416	2,856	184,272
Richard P. Wallace	84,331	9,166	93,497

- (1) Includes 25,000 options held by Moore Family Ventures L.P.

Summary of Director Compensation Policy

The following table sets forth a summary of our total compensation policy for our nonemployee directors as of the end of fiscal 2014:

Position	Annual Cash Retainer (\$)	Equity Grants (\$)
Board of Directors		
Lead Independent Director	90,000	250,000
Board Member (other than Lead Independent Director)	60,000	250,000
Audit Committee		
Chairperson	50,000	
Member	20,000	
Compensation Committee		
Chairperson	37,500	
Member	15,000	
Corporate Governance and Nominating Committee		
Chairperson	25,000	
Member	10,000	
Strategy Committee(1)		
Chairperson	25,000	
Member	10,000	

- (1) The Strategy Committee was disbanded in May 2014.

In May 2014, the Compensation Committee evaluated the compensation for nonemployee directors and determined to make no changes to the terms of the compensation arrangement for nonemployee directors.

Our nonemployee directors are eligible to receive automatic annual equity awards under the Automatic Award Program of the 1999 Plan pursuant to an outside director compensation policy adopted by our Board and the Compensation Committee, which may be revised from time to time as our Board or the Compensation Committee deems appropriate. A nonemployee director may elect to receive his or her automatic equity grants either in the form of all stock options or all RSUs or in a combination of 50% stock options and 50% RSUs, at the nonemployee director's discretion.

A newly elected or appointed director receives a pro-rated grant upon his or her first election or appointment to the Board with a value of \$250,000 (if such election or appointment occurs before February of the applicable year) or with a value of \$125,000 (if such election or appointment occurs after February of the applicable year).

Table of Contents

Equity awards for nonemployee directors are represented as a dollar value rather than a fixed number of shares. For these purposes, the value of any awards of RSUs will equal the product of the fair market value of one share of common stock on the grant date of such award, and the aggregate number of RSUs. With respect to stock options, the value is determined by using the Black-Scholes option valuation methodology, or such other methodology our Board or the Compensation Committee may determine, on the grant date of the option.

Each nonemployee director is also eligible to receive an annual cash retainer for his or her Board and committee service, pursuant to the terms of the outside director compensation policy. The Compensation Committee has approved a deferral program for our nonemployee directors, which allows each nonemployee director to elect to defer the receipt of his or her annual cash retainer until a later date in accordance with applicable tax laws. If the nonemployee director does not elect to defer his or her cash compensation, he or she will continue to receive his or her cash compensation as set forth above. Additionally, to the extent that a nonemployee director elects to receive a portion of his or her automatic equity grant in the form of RSUs, the director may be permitted to elect in accordance with federal tax laws when he or she will receive the payout from his or her vested RSUs and defer income taxation until the award is paid. An election to defer the payout of the vested RSUs is not intended to increase the value of the payout to the nonemployee director, but rather to give the nonemployee director the flexibility to decide when he or she will be subject to taxation with respect to the award. Any election to defer payment of any vested RSUs will not alter the other terms of the award, including the vesting requirements.

In May 2012, the Company adopted stock ownership guidelines applicable to the Company's nonemployee directors to ensure the directors remain meaningfully invested in Company stock. Under the terms of the guidelines, each nonemployee director must hold a minimum number of shares of the Company's common stock equal in value to at least three times the amount of such director's annual cash retainer amount. The Company's nonemployee directors have five years from the adoption date of the stock ownership guidelines to meet these guidelines.

At the 2013 Annual Meeting of Stockholders (the 2013 Annual Meeting), each of the individuals re-elected as a nonemployee Board member received a number of RSUs and/or an option grant for a number of shares as indicated in the table below. In addition, Mr. Braham and Ms. Hill, who joined our Board at that time, received the number of RSUs as indicated in the table below.

Name(1)	RSUs	Stock Option Grants (in Shares)	Stock Option Exercise Price (\$)(2)	Grant Date
T. Michael Nevens		22,831	43.77	September 13, 2013
Jeffrey R. Allen	2,856	11,416	43.77	September 13, 2013
Tor R. Braham	5,712			September 13, 2013
Alan L. Earhart	2,856	11,416	43.77	September 13, 2013
Gerald Held	2,856	11,416	43.77	September 13, 2013
Kathryn M. Hill	5,712			September 13, 2013
Nicholas G. Moore	2,856(3)	11,416	43.77	September 13, 2013
George T. Shaheen	2,856	11,416	43.77	September 13, 2013
Robert T. Wall	2,856	11,416	43.77	September 13, 2013
Richard P. Wallace		22,831	43.77	September 13, 2013

(1) Mr. Warmenhoven does not receive compensation as a director but does receive compensation as an employee of the Company. Please see footnote 3 to the Director Compensation Table.

- (2) Represents the fair market value per share of common stock on the grant date.
- (3) Prior to the date of grant, Mr. Moore elected to defer the vesting and release of his RSUs to January 15, 2017. Because he is not standing for re-election, these RSUs will vest upon the conclusion of his service on our Board at the Annual Meeting.

Table of Contents

PROPOSAL NO. 2

AMENDMENT TO THE COMPANY'S

AMENDED AND RESTATED 1999 STOCK OPTION PLAN

Introduction

We are asking our stockholders to approve an amendment to the Company's Amended and Restated 1999 Stock Option Plan (the "1999 Plan") to increase the number of shares that may be issued thereunder by 7,500,000. The Board has approved the increase in the number of shares reserved for issuance under the 1999 Plan, subject to approval from stockholders at the Annual Meeting. The Company's named executive officers and directors have an interest in this Proposal No. 2.

The 1999 Plan is intended to increase incentives and to encourage stock ownership on the part of eligible employees, nonemployee directors and consultants who provide significant services to the Company and its affiliates. The Company believes strongly that the approval of the amendment to the 1999 Plan to enable the Company to continue to use the 1999 Plan to achieve our goals in attracting and retaining our most valuable asset, our employees. Offering a broad-based equity compensation program is vital to attracting and retaining highly skilled people in our industry. The Company believes that employees who have a stake in the future success of our business become highly motivated to achieve our long-term business goals and increase stockholder value. Our employees' innovation and productivity are critical to our success in a highly competitive and fast-paced industry. The 1999 Plan is designed to assist in recruiting, motivating and retaining talented employees who help us achieve our business goals, including creating long-term value for stockholders.

Our Board approved the increase to the number of shares reserved for issuance under the 1999 Plan following substantial review and deliberation. In determining the number of shares reserved for issuance under the 1999 Plan, our Board considered a number of factors, including:

Historical Grant Practices. Our Board considered the historical numbers of equity awards that the Company has granted in the past three years. Our three-year burn rate, which we define as the number of options plus adjusted RSUs (adjusted consistent with the ISS volatility multiplier) subject to equity awards granted in a year divided by the weighted average shares of common stock outstanding for that fiscal year is below industry guidelines recommended by Institutional Shareholder Services.

Forecasted Grant Practices. For fiscal 2015, we currently forecast granting options and full value awards (in the form of RSUs) covering 14,571,000 shares, which is equal to 4.48% of our common stock outstanding as of July 17, 2014. We also forecast cancellation of options and forfeitures of RSUs of approximately 1,531,250 shares over this period, based on our historic rates. If our expectation for cancellations is accurate, our net grants (grants less cancellations) for fiscal 2015 would be approximately 13,039,750 shares, or approximately 4.0% of our common stock outstanding as of July 17, 2014. If approved, the amendment to the 1999 Plan would increase the number of shares issuable under the 1999 Plan by an additional 7,500,000 shares, bringing the total number of shares available for future grants to 13,523,410 shares as of July 17, 2014, assuming that the additional 7,500,000 shares were available for grant on that date. We believe, and the Board considered, that this expected forecast will provide us with a share reserve that will allow us to

make equity awards for expected new hires, focal awards, any special retention needs and employee growth through any opportunistic acquisitions or hiring for fiscal 2015. On behalf of our Board, the Compensation Committee expects that the total available shares for issuance under the 1999 Plan (as proposed to be amended) should be sufficient to cover the Company's projected equity awards for the current, as well as into the following, fiscal year. Consistent with its practice in prior years, the Company anticipates making future requests for additional increases in the share reserve on an annual basis so that stockholders can routinely evaluate the 1999 Plan's continued effectiveness. However, circumstances, such as a change in business conditions, our compensation programs or our strategy, could alter this projection and our expectations.

Table of Contents

Awards Outstanding Under Existing Grants and Dilutive Impact. As of July 17, 2014, we have outstanding stock options covering approximately 15,803,035 shares and approximately 14,961,090 unvested RSUs. On behalf of our Board, the Compensation Committee evaluated the value of available awards (adjusted for the relative dilutive cost of stock options vs. full value shares), based on outstanding awards under the 1999 Plan as a percentage of the Company's market capitalization, and determined that authorizing 7,500,000 additional shares for issuance under the 1999 Plan, in addition to shares remaining available for issuance under the 1999 Plan, was reasonable relative to accepted technology industry norms of value transfer. Accordingly, the approximately 30,764,125 shares subject to outstanding awards (commonly referred to as the "overhang") represent approximately 9.5% of our outstanding shares as of July 17, 2014, and the total of approximately 13,523,410 shares that would be available for issuance if Proposal No. 2 is approved would represent an additional 4.2% of our outstanding shares. Based on this analysis, the Compensation Committee concluded that the total overhang percentage was within the 50th and 75th percentile of its peer group (modified to exclude Microsoft, IBM, Oracle, Hewlett-Packard and CommVault due to them being substantially different in size than NetApp) and would not result in excessive overhang for stockholders.

Current Awards Outstanding

Set forth below is information regarding shares currently outstanding under all of the Company's equity compensation plans, including the 1999 Plan and equity compensation plans assumed by the Company in connection with mergers and acquisitions.

Selected Data as of July 17, 2014

Number of shares subject to outstanding awards under all of the Company's equity compensation plans, including equity compensation plans assumed by the Company in connection with mergers and acquisitions(1)	30,764,125
Number of shares subject to outstanding options	15,803,035
Weighted average exercise price of outstanding options	\$ 34.66
Weighted average remaining term of outstanding options (in years)	3.77
Number of shares subject to outstanding full value awards	14,961,090
Shares remaining for grant under the 1999 Plan (assuming this Proposal No. 2 is approved)	13,523,410
Shares remaining for grant under all other equity compensation plans	0

(1) Does not include shares of common stock reserved for issuance under the Company's Employee Stock Purchase Plan. See Proposal No. 3 for additional information regarding these shares.

Under the 1999 Plan, shares subject to full value awards granted on or after the 2013 Annual Meeting will count against the share reserve as two shares for every one share subject to such an award. To the extent that a share that was subject to an award that counted as two shares against the 1999 Plan reserve is returned to the 1999 Plan, then the 1999 Plan reserve will be credited with two shares that will thereafter be available for issuance under the 1999 Plan.

Description of the 1999 Plan

The following paragraphs provide a summary of the principal features of the 1999 Plan and its operation. The 1999 Plan is set forth in its entirety and is attached as Appendix A to this Proxy Statement with the SEC. The following summary is qualified in its entirety by reference to the complete text of the 1999 Plan.

The 1999 Plan is divided into five separate equity programs:

1. *Discretionary Option Grant Program*. Under the Discretionary Option Grant Program, the Plan Administrator (as defined below) is able to grant options to purchase shares of stock at an exercise price not less than the fair market value of those shares on the grant date.

Table of Contents

2. *Stock Appreciation Rights Program.* Under the Stock Appreciation Rights Program, the Plan Administrator is able to grant stock appreciation rights that will allow individuals to receive the appreciation in the shares subject to the award between the date of grant and the exercise date.

3. *Stock Issuance Program.* Under the Stock Issuance Program, the Plan Administrator is able to make direct issuances of shares of stock either through the issuance (or promise to issue) or immediate purchase of such shares or as a bonus for services rendered by participants on such terms as the Plan Administrator deems appropriate. In addition, the Plan Administrator is able to make grants of RSUs on such terms as the Plan Administrator deems appropriate.

4. *Performance Share and Performance Unit Program.* Under the Performance Share and Performance Unit Program, the Plan Administrator is able to grant performance shares and performance units, which are awards that will result in a payment to a participant only if the performance goals or other vesting criteria established by the Plan Administrator are achieved or the awards otherwise vest.

5. *Automatic Award Program.* Under the Automatic Award Program, nonemployee directors automatically receive award grants at periodic intervals to purchase or receive shares of stock.

Administration of the 1999 Plan

The Compensation Committee of the Board administers the 1999 Plan (Plan Administrator). The members of the Compensation Committee qualify as nonemployee directors under Rule 16b-3 of the Exchange Act and as outside directors under Section 162(m) of the Internal Revenue Code of 1986, as amended (Section 162(m)), such that the Company can receive a federal tax deduction for certain compensation paid under the 1999 Plan.

Subject to the terms of the 1999 Plan, the Plan Administrator has the sole discretion to select the employees, consultants, nonemployee directors and other independent advisors who will receive awards, determine the terms and conditions of awards (f